

Office of the Health Insurance Commissioner
2011 Health Plan Rate Factor Review Template: Submissions for Small Group

	Blue Cross and Blue Shield of RI						UnitedHealthCare of NE						Tufts Health Plans					
	2009 req.	2009 apprvd	2010 req.	2010 apprvd	2011 req.	2011 apprvd	2009 req.	2009 apprvd	2010 req.	2010 apprvd	2011 req.	2011 apprvd	2009 req.	2009 apprvd	2010 req.	2010 apprvd	2011 req.	2011 apprvd
Category: Hospital Inpatient																		
Annual Rate of Price Inflation (%)	8.5		7.9		7.3		10.0		10.0		8.4		7.4	7.4	7.5	7.5	7.6	
Annual Rate of Utilization Inflation (%)	1.0		1.0		1.0		4.9		3.9		2.3		1.3	1.3	3.5	3.5	4.3	
Composite Inflation Rate %	9.6		9.0	7.5	8.4		15.5		14.3	10.0	10.9		8.8	8.8	11.2	11.2	12.2	
Category: Hospital Outpatient																		
Annual Rate of Price Inflation (%)	7.9		7.4		6.8		7.8		7.8		6.8		7.5	7.5	7.1	7.1	7.2	
Annual Rate of Utilization Inflation (%)	5.3		5.2		5.2		4.7		3.7		6.3		4.2	4.2	3.8	3.8	3.8	
Composite Inflation Rate %	13.6		13.0	9.9	12.4		12.9		11.8	10.7	13.5		12.0	12.0	11.1	11.1	11.2	
Category: Pharmacy																		
Annual Rate of Price Inflation (%)	--						4.8		4.8		5.4		7.3	7.3	5.7	5.7	6.6	
Annual Rate of Utilization Inflation (%)	--		--		-		5.8		4.9		4.8		2.6	2.6	3.1	3.1	2.3	
Composite Inflation Rate %	11.5		11.0	11.0	10.6		11.0		9.9	9.9	10.5		10.1	10.1	9.0	9.0	9.1	
Category: Primary Care																		
Annual Rate of Price Inflation (%)	19.3		15.0		8.1		3.8		3.8		4.7		6.7	6.7	6.2	6.2	5.9	
Annual Rate of Utilization Inflation (%)	3.5		3.7		4.9		5.9		5.0		5.8		1.3	1.3	4.0	4.0	3.0	

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<i>Composite Inflation Rate %</i>	23.5		19.3	19.3	13.4		10.1		9.0	19.3	10.8		8.1	8.1	10.5	10.5	9.0	
Category: All Other Medical Care																		
Annual Rate of Price Inflation (%)	3.0		2.3		2.6		3.8		3.8		4.7		5.8	5.8	3.9	3.9	3.4	
Annual Rate of Utilization Inflation (%)	3.5		3.7		4.9		5.9		5.0		5.8		2.7	2.7	4.2	4.2	5.0	
<i>Composite Inflation Rate (%)</i>	6.6		6.1	6.1	7.7		10.1		9.0	7.6	10.8		8.7	8.7	8.3	8.3	8.6	
Projected Portion of Premium for Administrative Costs	17.6		14.2	14.0	13.5		17.4		16.9	16.9	11.5		13.0	12.0	13.0	13.0	14.0	
Projected Portion of Premium for Reserves and Profit	2.3		2.3	2.0	3.0		1.0		1.0	1.0	3.1		-	-	-	-	-	
Overall avg. premium increase (OHIC estimated)	13.9		11.4	9.8	12.4		13.2		10.6	6.3	15.5		9.7	8.5	9.5	9.5	12.2	

Notes:

1. Annual rate of utilization inflation also includes amounts if identified separately for mix of services, demographic change and benefit leveraging.
2. United has shown separate expenses and contribution to reserve for UHIC and UHNE. The chart shows the UHIC #s. UHNE admin is 15.9%, contribution to reserves -1.3%.
3. United target loss ratio is 82.7%. Projecting 85.4% because of inadequate rate in effect at 1/1/2011.
4. Blue Cross analyzes trend on a combined basis for small and large group; United's is separate.
5. Tufts is projecting higher commissions based on size of group and graded scale
6. Tufts has relatively higher rate increases in first six months because of catch up on health assessments.
7. Tufts reports separately for TAHMO and Tufts Ins Co. ; average rate increase is a weighted average of the two
8. Average premium increase is the average of rate increases identified by the carriers for the four quarters of 2011